

HIDDEN ECONOMIC BENEFITS
OF
PEDESTRIAN FRIENDLY CITIES

COOL CITIES CONFERENCE 2003

Presented by:

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\$ Benefits to INDIVIDUALS



- Transportation = ~20% of personal budget
 - 2nd only to housing
- More than:
 - food and clothing combined.
 - healthcare, entertainment, personal care, reading and education combined.

Places with plentiful transportation options and more compact, diverse development are less expensive places to live in terms of combined housing and transportation costs.

“...homeowners in these higher priced housing markets have the advantage of building wealth through home equity, rather than buying cars, which only depreciate.”

--Robert Dunphy

Urban Land Institute



\$ Benefits to NEIGHBORHOODS

- Real estate values over the next 26 years will rise fastest in mixed-use, walkable communities.

1998 study by ERE Yarmouth and Real Estate Research Corporation

- Greenways increase property values nationwide.

1995 study by the National Park Service

- Land next to a greenbelt in Salem, OR was worth \$1200 more per acre than 1000 feet away.

1992 Technical Information Series, Scenic America.

- The percent of people in Denver who said they would pay more to live near a greenbelt or park rose from 16% to 48% in 10 years.

1995 study by the National Park Service

\$ Benefits to SCHOOLS

- Neighborhood save money:
- Administrative costs
- Transportation costs
- Violence and discipline costs



\$ Benefits to SCHOOLS



Considering fuel, buses, bus drivers, maintenance, etc.

“Transporting rural students is more than 2X as expensive as transporting urban students and 50% more than suburban districts.”

p. 13

\$ Benefits to SCHOOLS



“While it may be true that in small schools some costs increase because they are spread out over fewer students, research suggests that large schools require added tiers of administration, more security people and additional maintenance and operations personnel.”

p. 12

\$ Benefits to SCHOOLS

Comparing small schools (less than 300) with big schools (1000 or more), big schools have:

825% more violent crime

270% more vandalism

378% more theft and larceny

394% more physical fights or attacks

3200% more robberies

1000% more weapons incidents

p. 9 (cited U.S. Department of Education, 1999)



\$ Benefits to BUSINESS

- Rank of open space/parks/recreation among factors used by small businesses in choosing a new business location: 1

1997 Journal of Park and Recreation Administration

- Corporate CEOs say *quality of life for employees* is the 3rd most important factor in locating a business (behind domestic markets & availability of skilled labor).

1995 study by the National Park Service

- Pedestrian-friendly elements help revitalize urban areas. Spartanburg, S.C.—after a downtown park and formal corporate plaza were added property values rose 325% in 10 years and retail sales had risen, some by as much as 100%.

1997 Urban Land Institute.

\$ Benefits to COMMUNITIES



- Compact growth saves governments up to 70% less than equivalent volumes of scattered growth. Requires less infrastructure (streets, schools flood control, sewers, etc.) and services (police fire).

2003 Detroit News

- Estimated annual value of open space to the economy of New Hampshire: \$8 billion (25% of total economy).

1999 Concord NH Monitor

- Increased business as described previously
- Increased tourism and events



Special Events



- Rail-trail facilities
 - Valuable recreation asset
 - Spectrum of opportunities
 - community-national interests & single-multiple day
- 1999 Pere Marquette Rail-Trail special events
 - Michigander
(1800 participants)
 - Midwest Tandem Rally
(550 teams)

Profile of Participants

- Michigander

- 95% MI residents
- 46% household income \$80,000+
- 60% without children in household
- 25% members of a bike organization
- Avg. \$748 in spending on bicycling in 1998

- Midwest Tandem Rally

- 26% MI residents
- 51% household income \$80,000+
- 68% without children in household
- 75% members of a bike organization
- Avg. \$2,446 in spending on bicycling in 1998

Economic Benefits - Tourism

■ Michigander ■ Tandem Rally

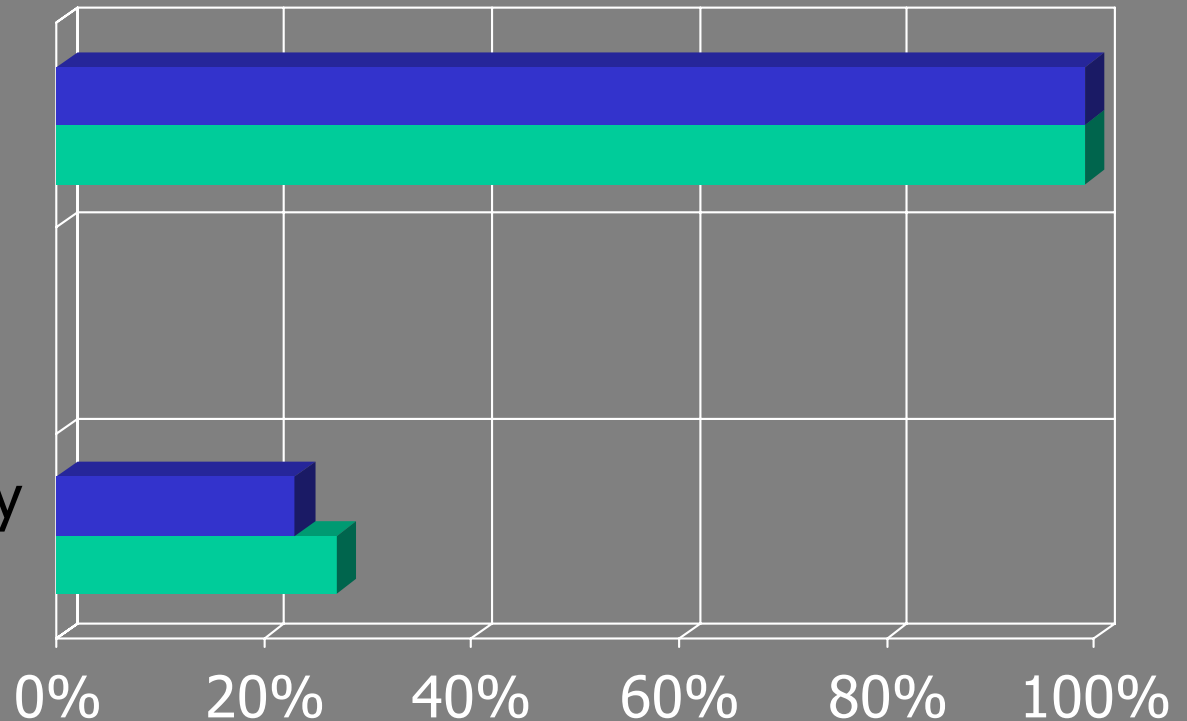
Purpose of trip

Attend event

Pere Marquette

Rail Trail drew

Highly/moderately
influential



Economic Benefits - Spending

- Michigander

- \$207,000 in spending
 - excluding event fee
- 50% before/after event
- 50% during event
- \$233 per travel party
- 2.3 persons
- 500 hotel room nights

- Midwest Tandem Rally

- \$260,000 in spending
 - includes event fee
- 16% before/after event
- 85% during the event
- \$566 per travel party
- 2.5 persons
- 1,100 hotel room nights

The Proposed Grand River Arts Walk

A Place Where Recreation, Art, & Community
Spirit Converge To Form A "Grand Vision"



PROPOSED GANSON STREET ENTRANCE PLAZA

Conceptual Master Plan
In Partnership with:



The City Of
Jackson, Michigan



The Enterprise Group
Of Jackson, Inc.



Landscape Architects & Planners, Inc.
Landscape Architecture Site Design Land Planning



TRANSFORMATION
from
BROWNfields to GREENfields



Add a little art to your walk

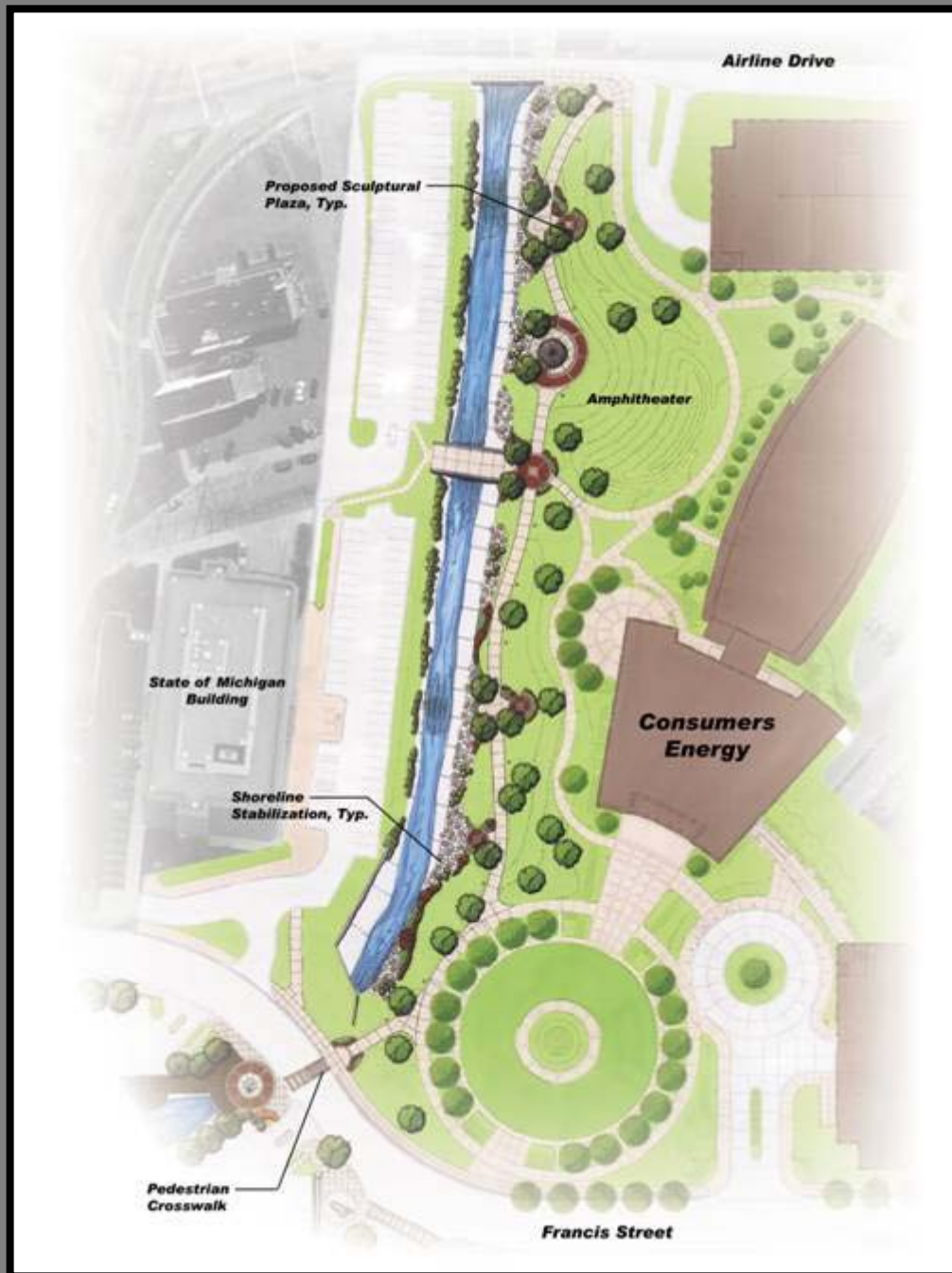
Armory Arts Project

Grand River Arts Walk Jackson, Michigan



Ganson St. Entrance

- Transform 147,000sf of vacant industrial complex into 36 affordable housing units for artists
- Enterprise Group & Artspace Projects, Inc.



Consumers Energy
Headquarters
\$104 million, employing
1,350 people

Phase 1 – Master Plan
Grand River Arts Walk
Jackson, Michigan



Previous Brownfield site featuring the old post office



Renovated Greenfield site featuring Phase I of the
Grand River Arts Walk

Outdoor Amphitheater



Sculpted earth forms create a natural amphitheater on the Grand River

Arts & Cultural Alliance of Jackson County



Jackson's Public Art Program

The “Best of the Midwest” Public Art



5 Art pieces ranging from \$16,000-\$48,000

“Living Gallery” Art Displays



2 year exhibition

Ground Art – to be walked on



locating your point of origin

Incorporating Natural Resources



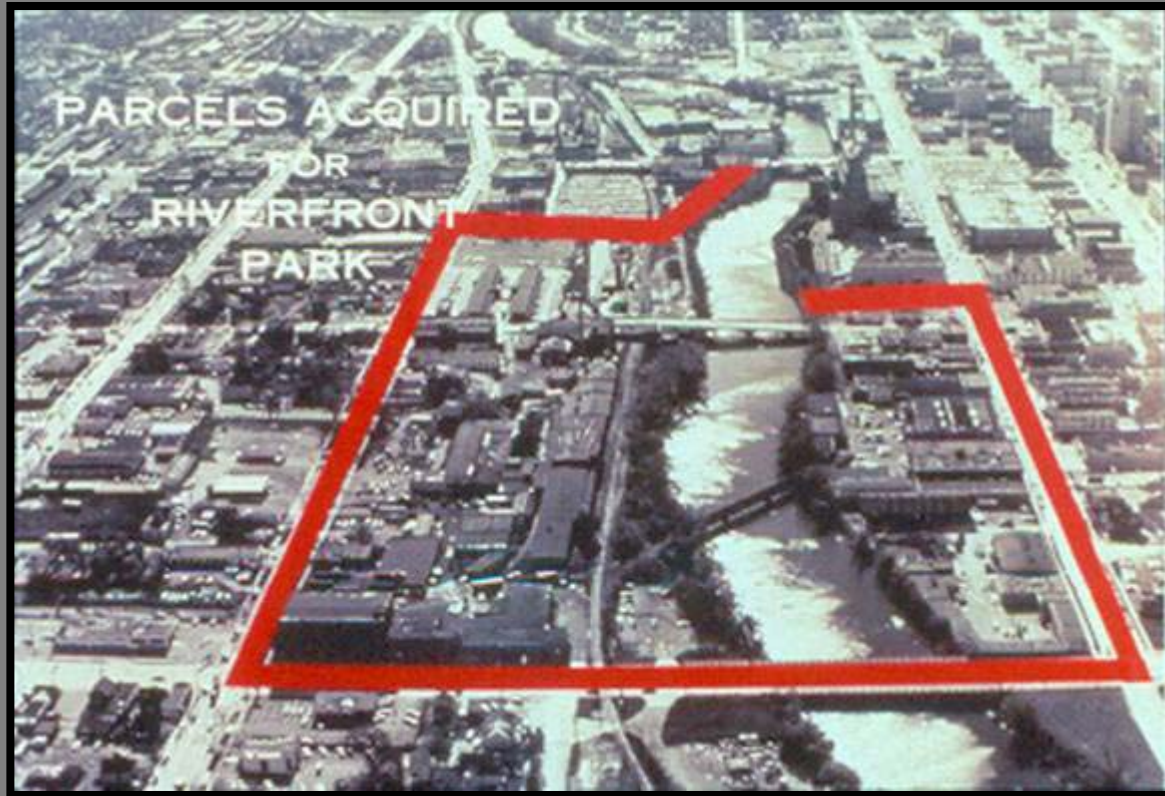
Building alliances to help fund the vision

Past history along the riverfront



this scene was common place

First phase of creating a walkable community...



was to create a destination to walk to



transforming a riverfront from industrial use...



to a community use...



the banks of the Grand River

providing for parks...



the banks of the Grand River

and recreation...



the banks of the Grand River

and programming...

- \$3.8 million
- 63,000 users
- passes costing \$25-\$60
- 7 day event



Lansing's Riverfront Park

transforming abandoned rails...

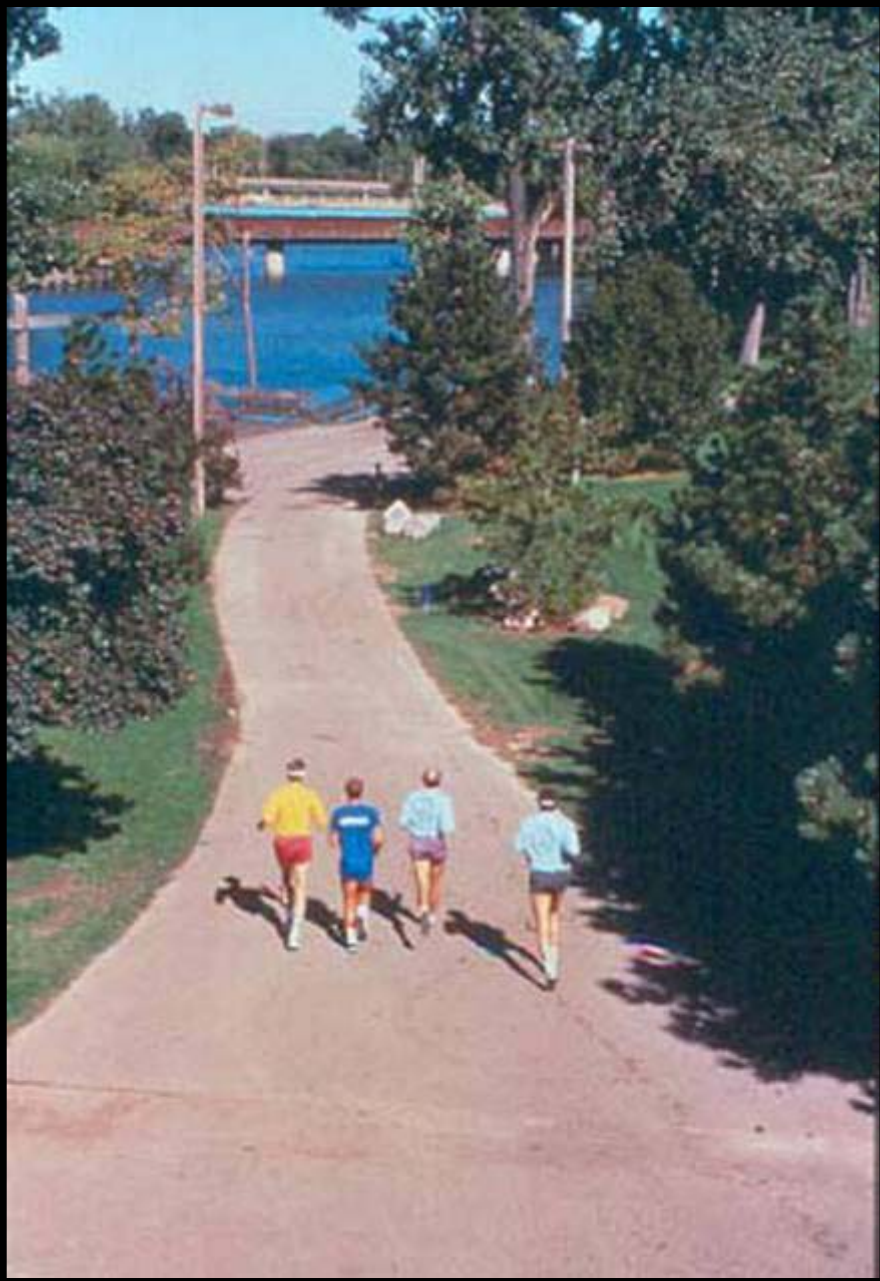


along the banks of the Grand River

Activities related to Trails

- Walking, Jogging, Hiking
- Roller skating/in-line skating
- Bicycling/Mountain Biking
- Horseback riding
- Cross-country skiing

Jogging is up from 8.1 million to 8.8 million 2x per week.



T.A.R.T Trail

- 154,000 users, May-Sept 2002
- 50% bike
- 38% recreation
- 18% transportation

Hart-Montague Bicycle Trail



- 20 miles in 1992
- 6 months of use increased business by 25-30%
- \$40,000 in seasonal passes

Tax Revenues

- Aggregate property value for one neighborhood was approximately \$5.4 million greater due to the fact it was located on a greenbelt



Trail planning in urban areas



- Requires cooperation and coordination
- Helps to attract, retain, and expand business

Bicyclists spend an average of \$25.86 per day



- Study – Oil Creek State Park
Venango County, Pennsylvania

Multi-purpose trails generate revenue



- Economic impact - \$1.2 million annually per trail

Examples of average daily revenue per user



- \$9.21 - Heritage Trail - IA
- \$11.02 - St. Marks Trail - FL
- \$3.97 - Lafayette/Morage - CA

Other trail revenue examples

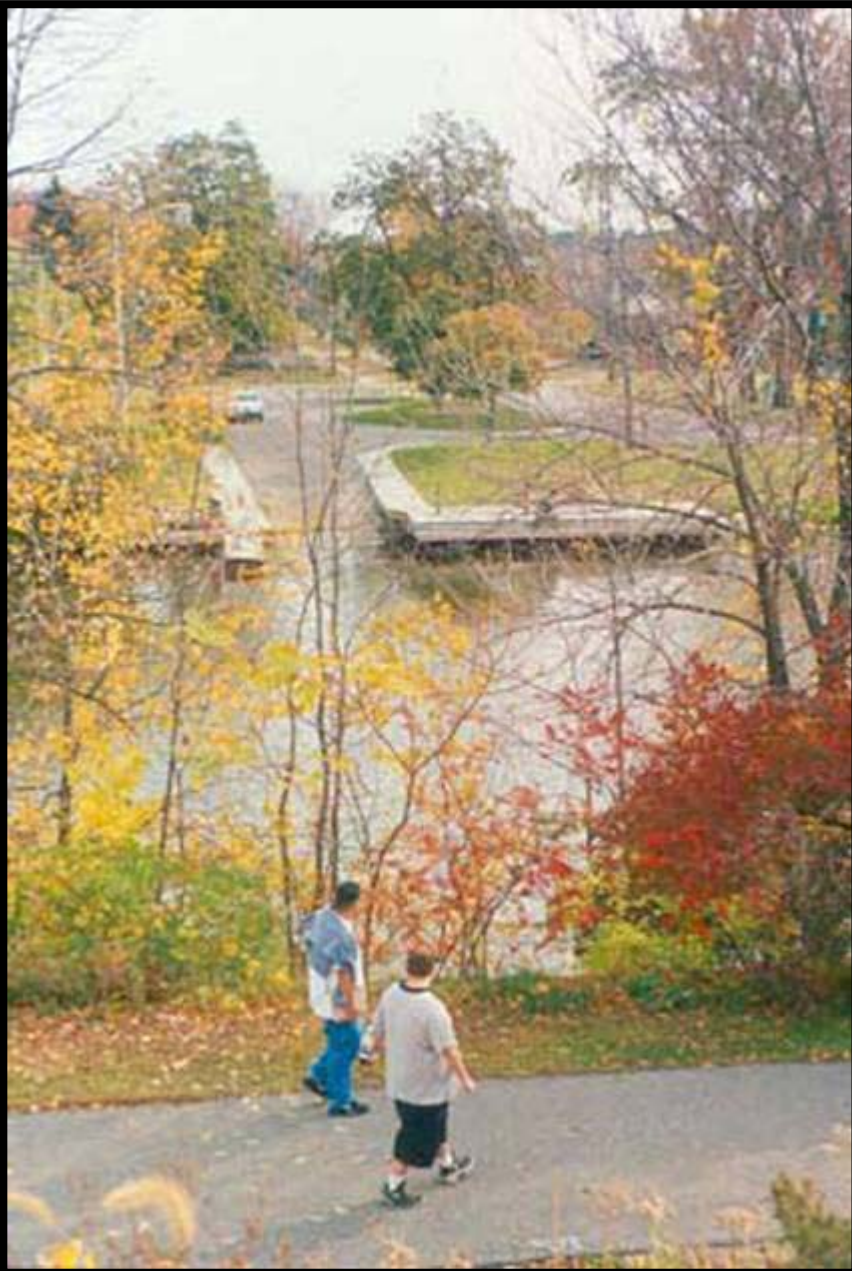


- Mineral Wells Trail - near Dallas, TX
 - \$2 million annual
 - 300,000 users
- River Walk - San Antonio, TX
 - \$1.2 billion annual
 - Second to the Alamo
- Maryland Northern Rail Trail
 - \$3.4 million annual
 - 450,000 users

Recreational Trends

- 40.4% Walk for Health
- 32.8% Pursue physical fitness/exercise
- 14.9% bicycle
- 13.75% Boat or Sail
- 12.4% Run or Jog

*Lifestyle Market Analysis,
results from 212 metro areas*



Multi-purpose trails generate new jobs



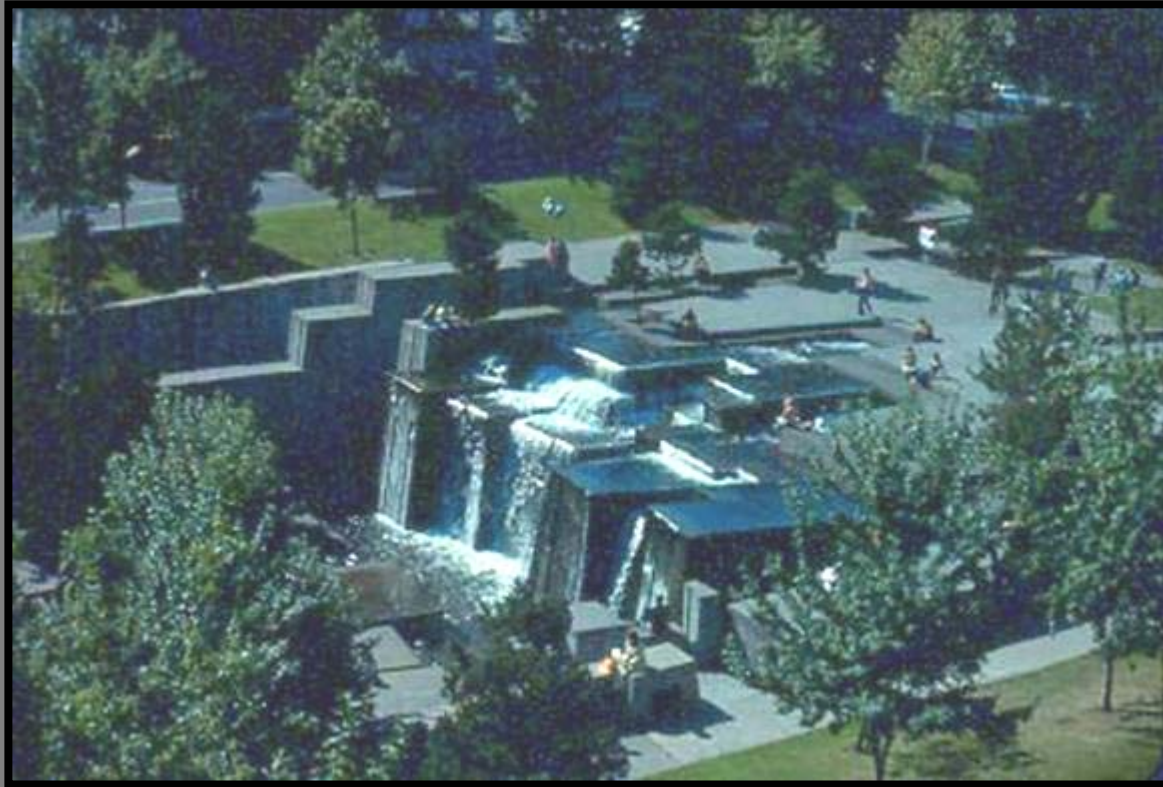
- Planning, Construction, and Permanent Jobs

Hartford - McCoy Trail - West Virginia



- Projects 3,200 permanent jobs with an economic impact of \$107 million

Connecting parks to the trail



adds interest and recreation

Home Buyers Sold on Trails

Trails help sell houses, according to a survey by the National Association of Realtors (NAR) and the National Association of Home Builders (NAHB).

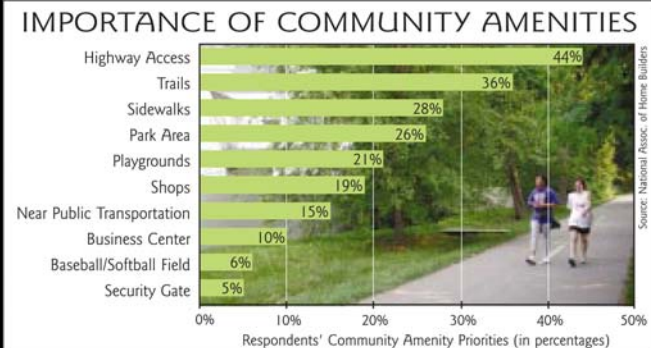
The survey report, Consumers' Survey on Smart Choices for Home Buyers, released in April, shows that 36 percent of 2,000 recent home buyers designated walking, jogging or biking trails as either an "important" or "very important" community amenity. Trail availability outranked 16 other options including security, ball fields, golf courses, parks and access to shopping or business centers. Only highway access, at 44 percent, was specified as a top amenity by more of the home buyers surveyed.

Gopal Ahluwalia, NAHB director of research, is not surprised by the survey results. "People want walking and jogging trails," he says. "When we do surveys, trails rank up pretty high - in the top five - all the time...[The number two ranking of trails in this survey] was consistent across all regions and demographics of the population."

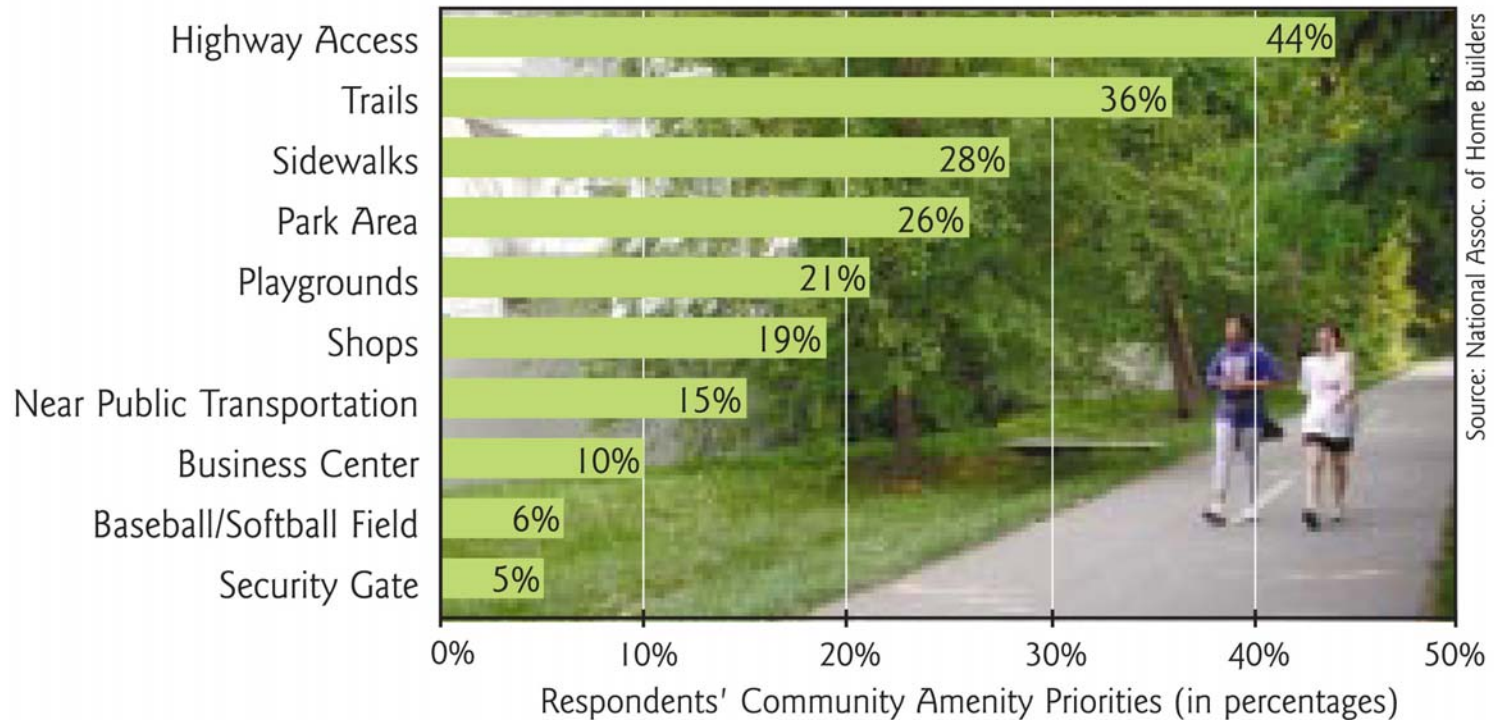
For more information on the survey, see www.realtor.org, or www.nahb.org.

From *Rails to Trails* magazine, Fall 2002

For a look at the complete survey conducted by the NAHB, please go to <http://www.nahb.com/news/smartsurvey2002.htm>



IMPORTANCE OF COMMUNITY AMENITIES



Fish attract trail users



Fish ladder draws thousands
of visitors each year

Historical assets should be included along trails to add interest



Gardens & Parks also
create resting points and
provide places to explore
the culture of the
community



Property values revealed



- 77.7% of home buyers rated natural space essential or very important in planned communities
- Areas for walking and bicycling rated #3

*American Lives Inc.,
research company for real estate industry*

Property values revealed



- 9% more for lots adjacent to trails and sold faster compared to lots not on a trail

Mnt. Bay study, Brown County, WI

General Trail Statistics

- Luce Line rail trail in Minn.
 - 87% believed the trail increased or had on effect on property value
 - 56% farmland residents thought the trail had no effect on land value
 - 61% suburban residential noted an increase in property value

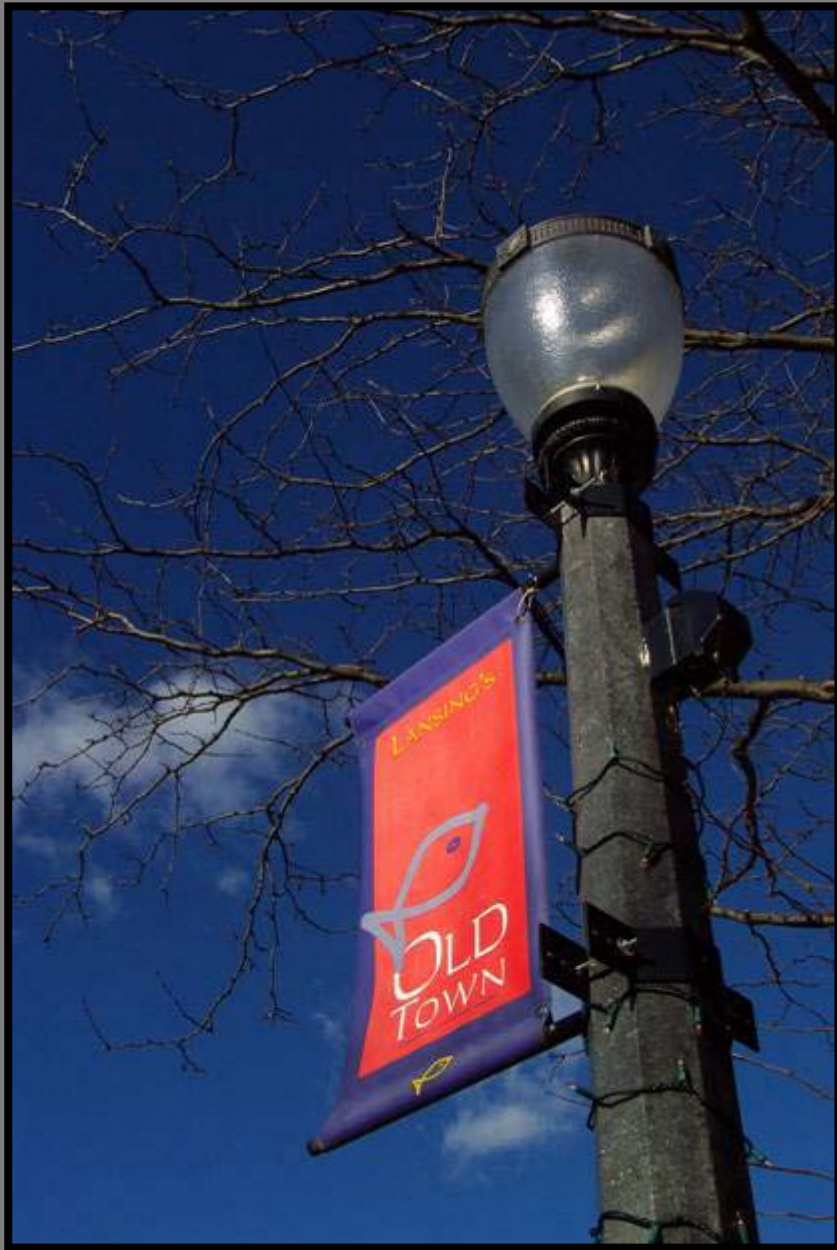
General Trail Statistics

- Property Value Study, Boulder, Colorado
 - \$4.20 up to \$10.20 decline for each foot away from greenbelt up to 3,200'
 - 32 % higher property value adjacent to the greenbelt than 3,200' away

General Trail Statistics

- Office of Planning in Seattle, Washington
 - 12 mile Burke-Gilman Trail
 - 6% or more for property that has access to the trail
 - 60% thought that being adjacent to the trail would bring more value or have no effect

based upon homeowner and real estate agents



Working examples of Business & Art & History

Turner Mini Park - Lansing, Mi



Before 1980's

Turner Mini Park - Lansing, Mi



After improvements

Old Town - 1989



After 2003

Recognizing your communities history



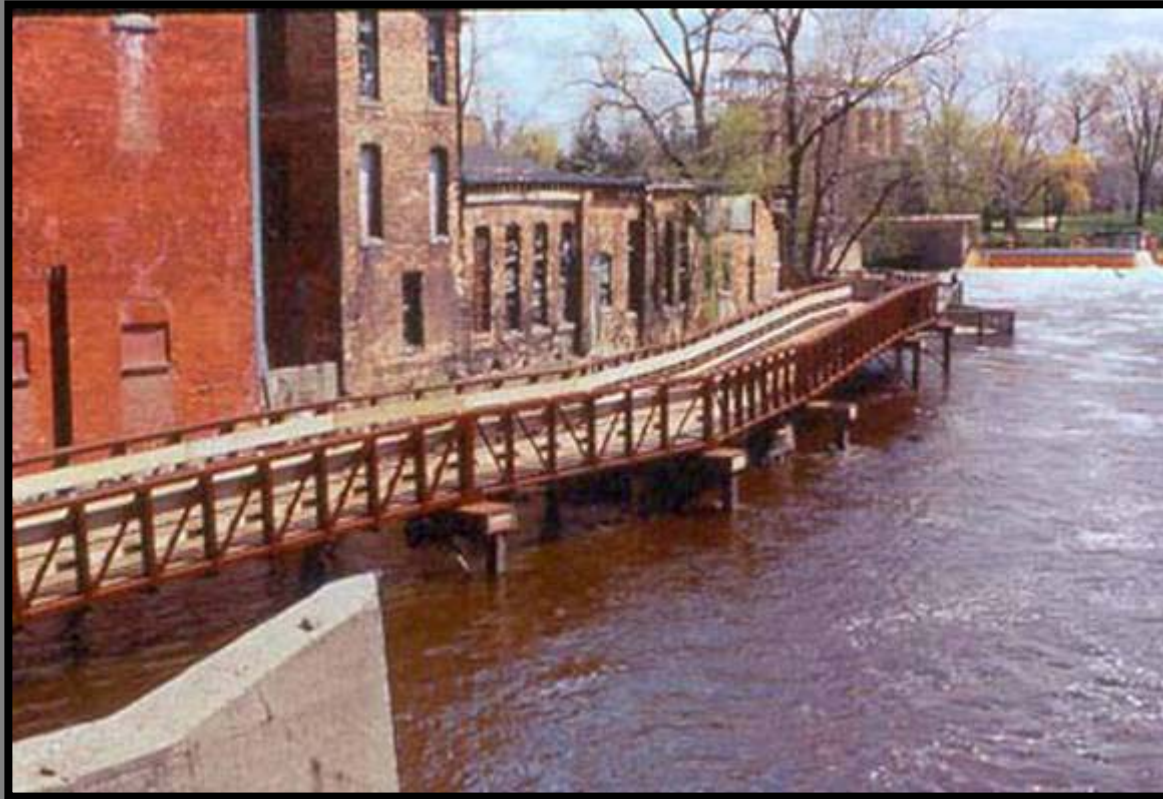
Café Style

Trails nearby restaurants



Provide users an opportunity to exercise
after a meal

The river trail as a catalyst



For historical re-use



Outdoor plazas & cafes



next to the trail

Historical assets along the trail



Can provide active destination points



Farmer's Market



Trail users take advantage of History, Art, & Science



Bring history to life with the



Classic Car Festival

Historical re-use of old buildings



Michigan Rail-Trail State Headquarters



Don't forget to
promote your
communities history :

- Interpretive Displays
- Tours
- Community Events

A result of partnership with community organizations, i.e. Lansing Rotary Club



Lansing Clock Tower
Creating Landmarks

Art along the trail



Creating earth and water forms

Art along the trail



Creating sculpture



Small but colorful
displays create a
sense of healthy
communities

Creating color
and texture



Artful ways to connect
areas and create a
theme along with
community
identification

Creating Entry

“way finding” signs help guide users along trails



Creating order



Memorials :

- need to be visible
- proper settings
- accessible

Creating emotion

The hidden benefits of pedestrian friendly cities

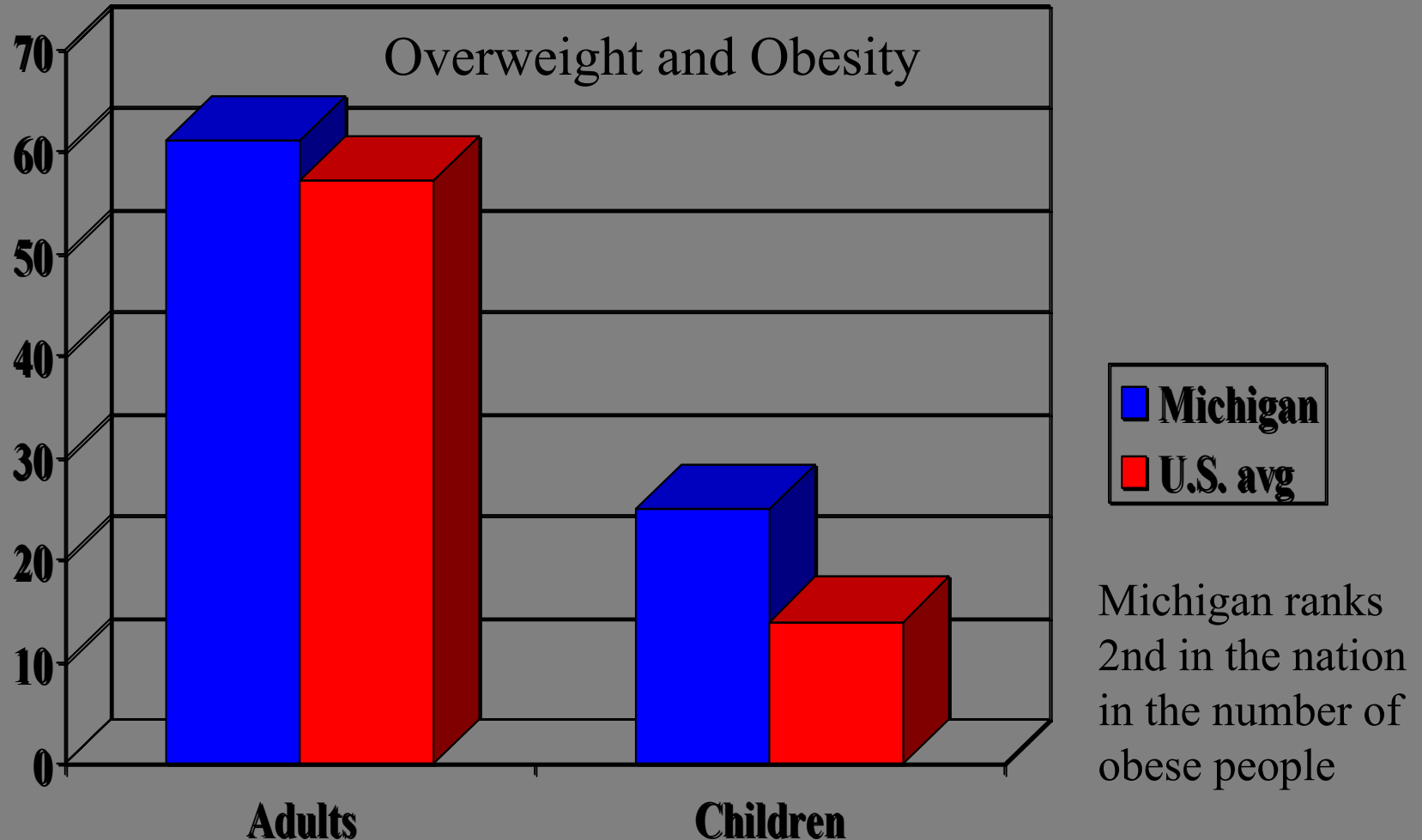


are sometimes right outside your door.

The Real Hidden Benefit--Health



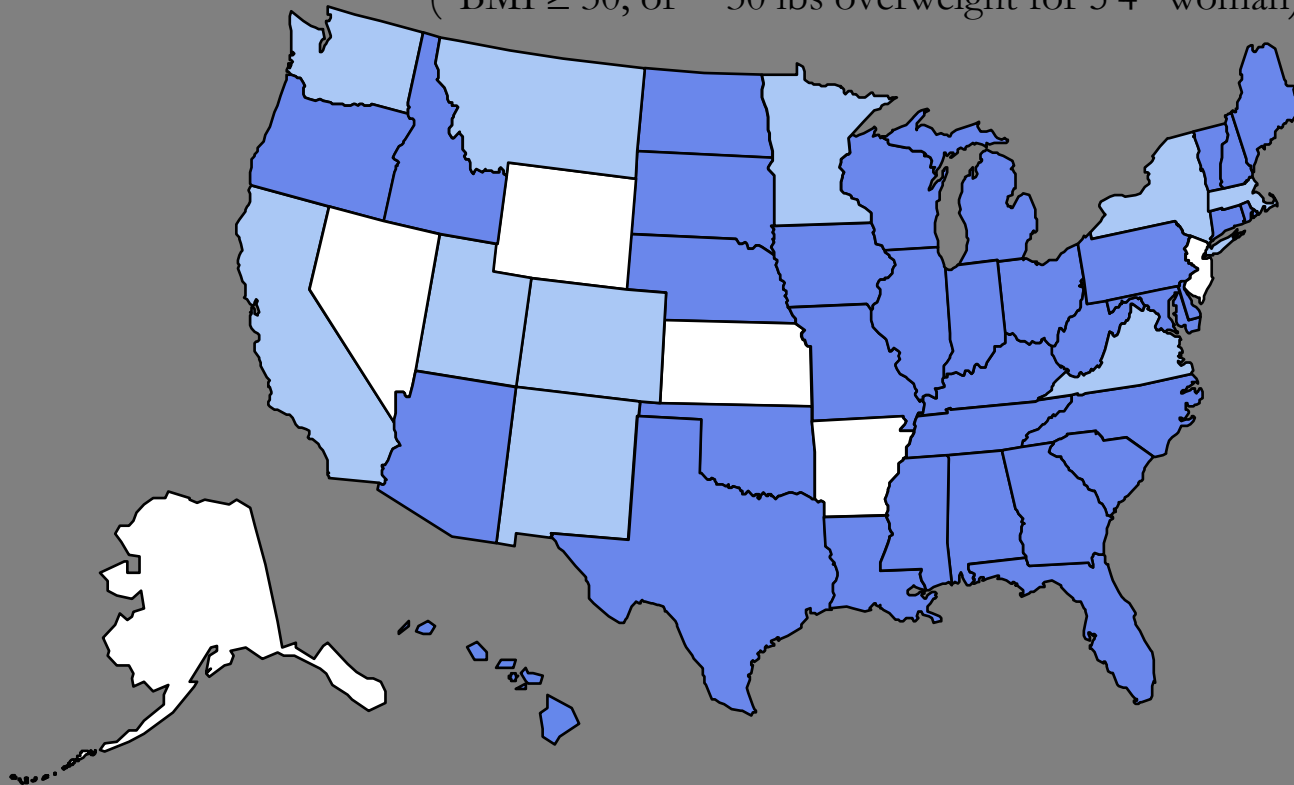
Physical Inactivity...The Problem



Obesity Trends* Among U.S. Adults

BRFSS, 1990

(*BMI ≥ 30 , or ~ 30 lbs overweight for 5'4" woman)

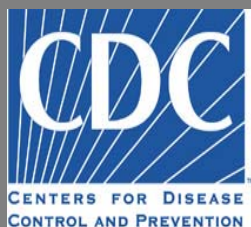
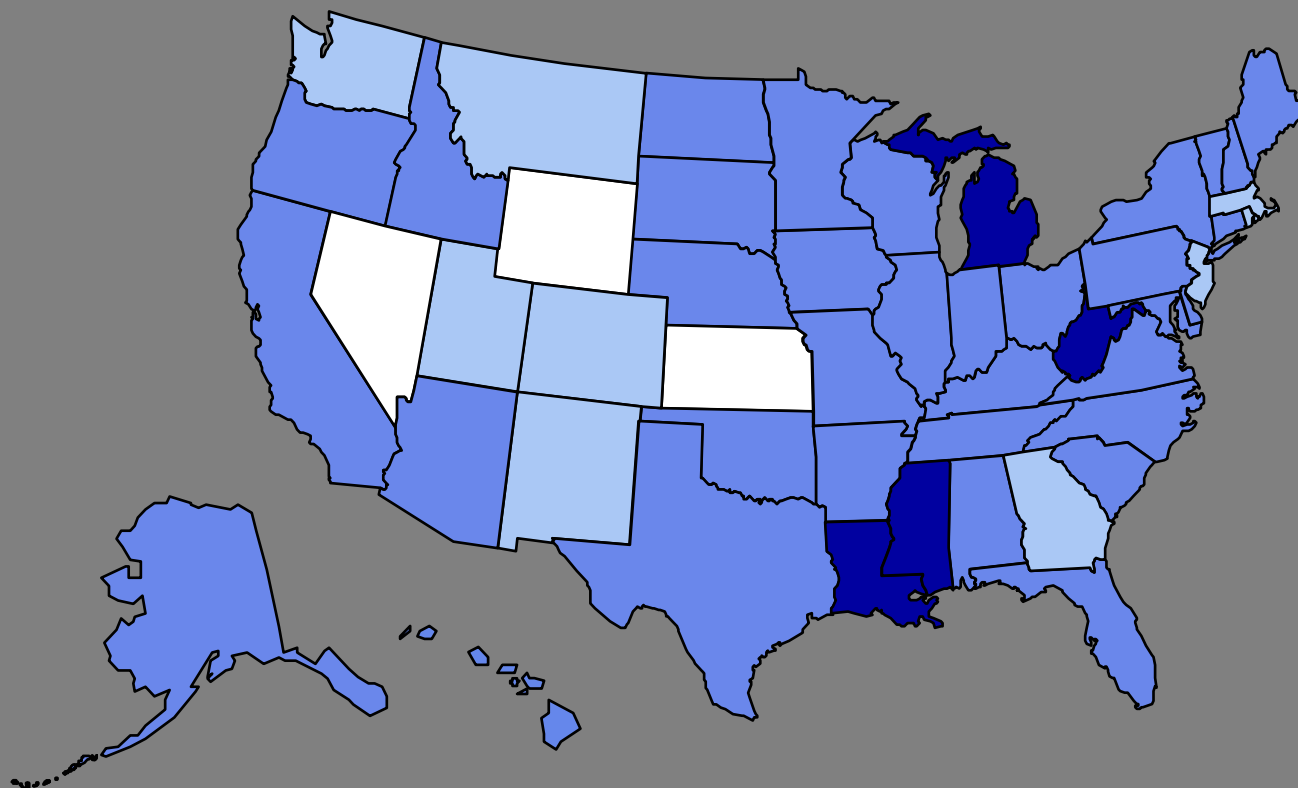


No Data <10% 10%-14% 15-19% ≥20%

Source: Mokdad A H, et al. *J Am Med Assoc* 2001;286:10

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BRFSS, 1991

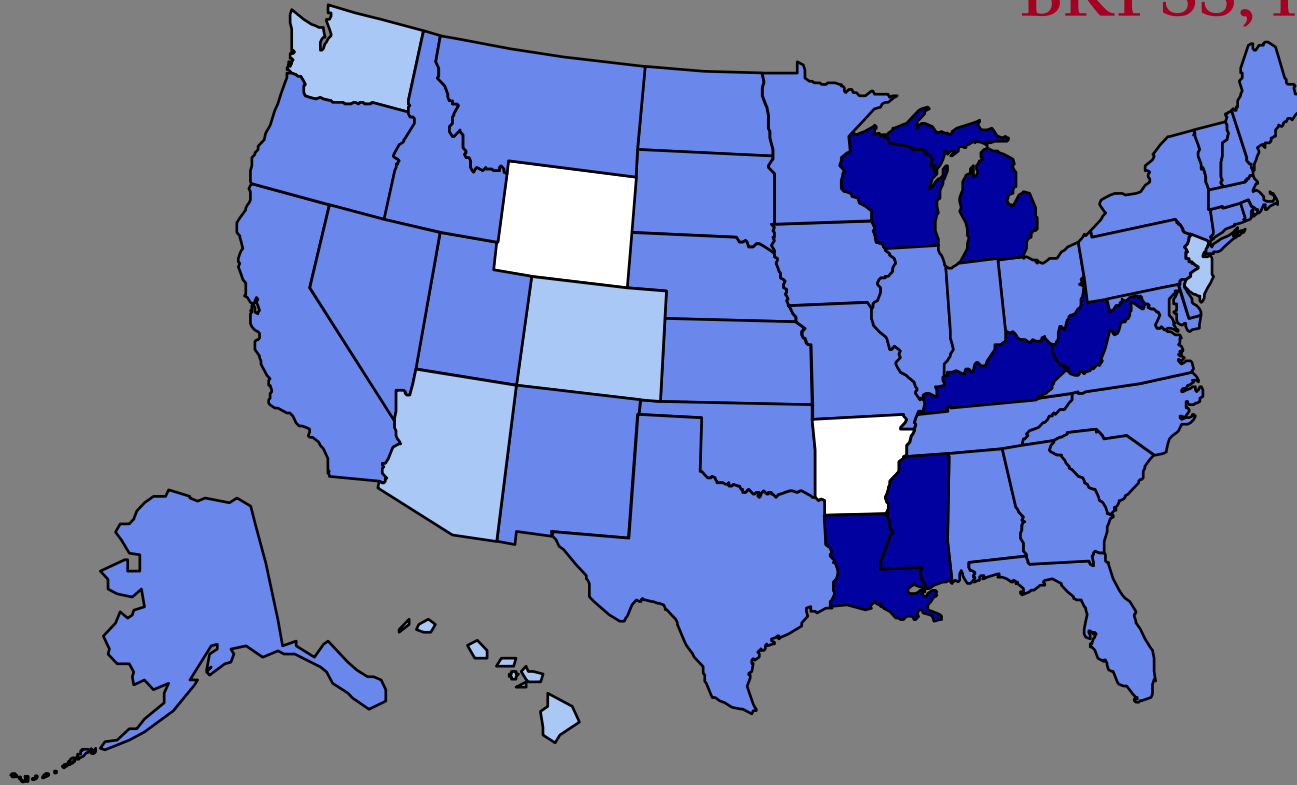







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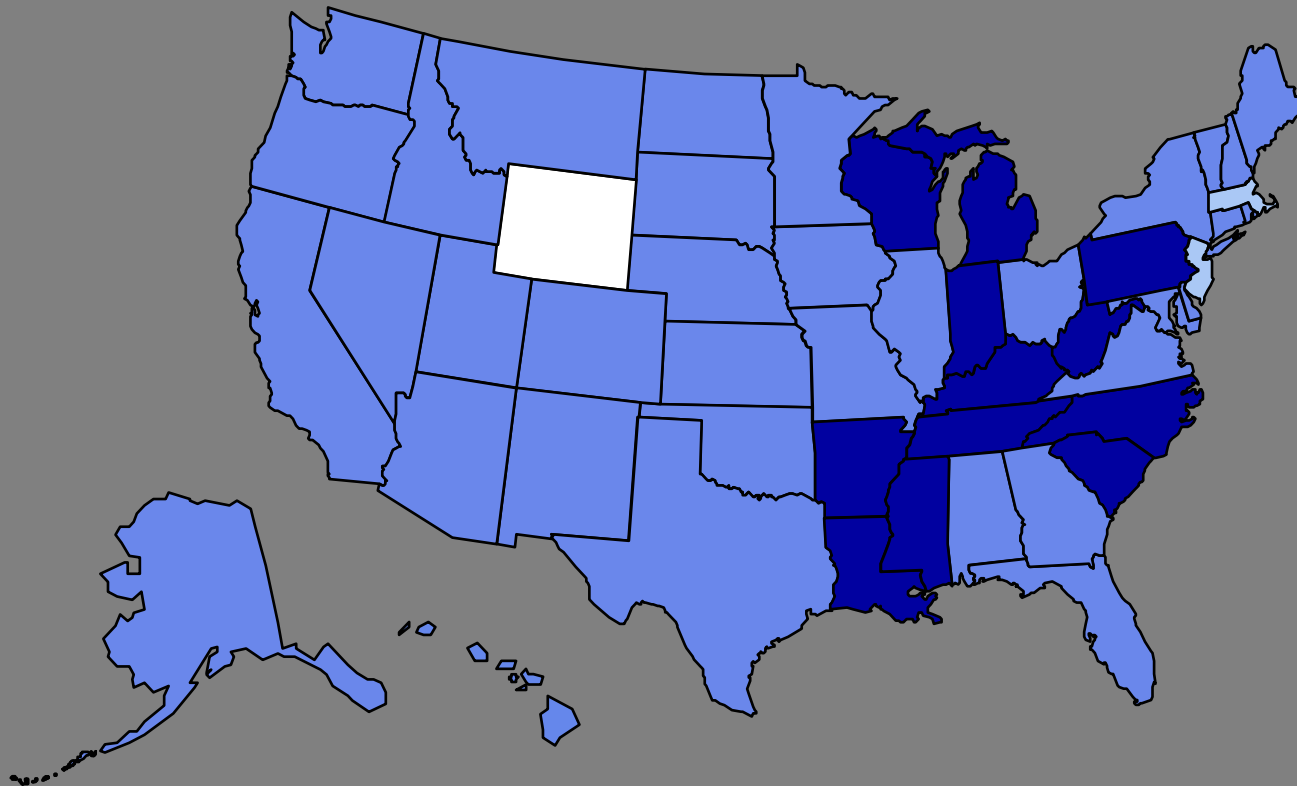


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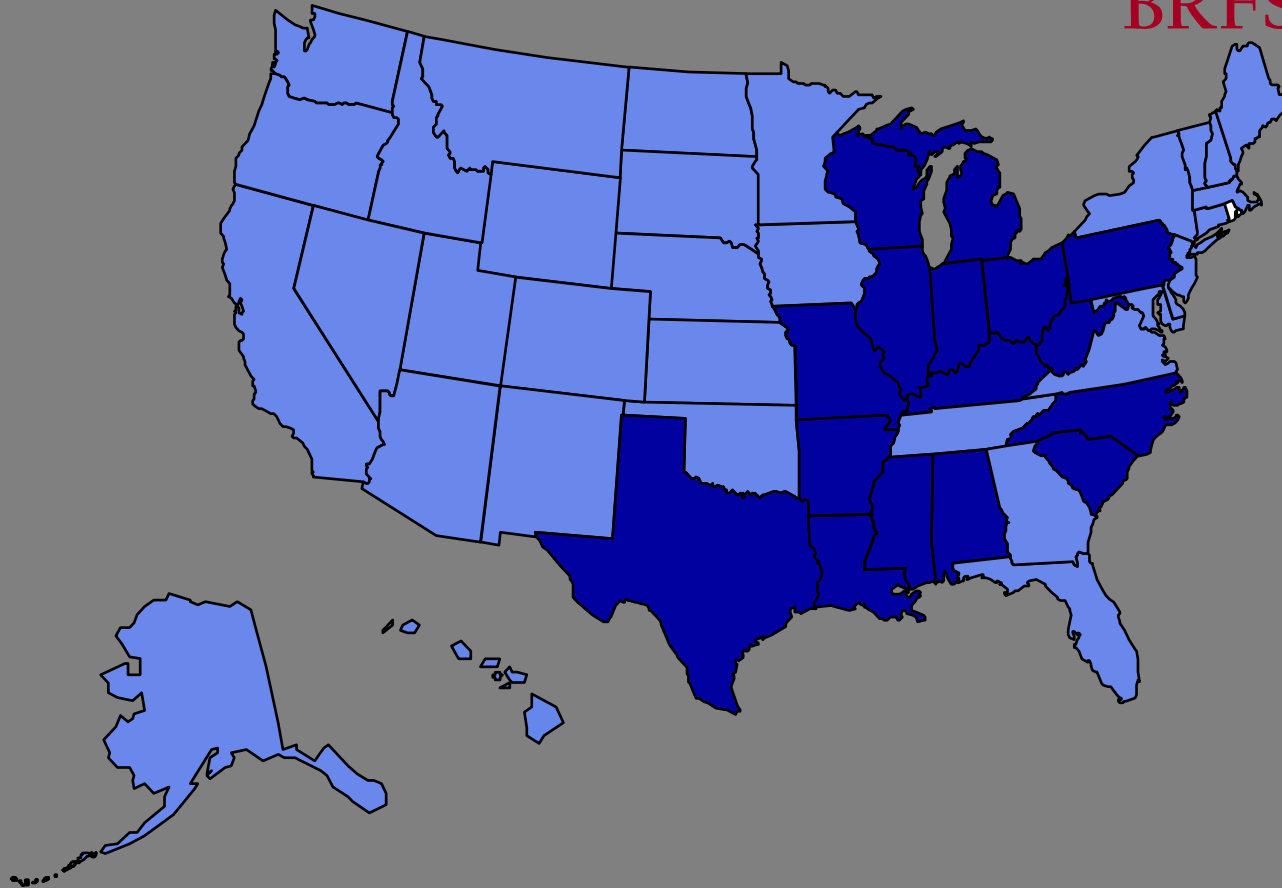
BRFSS, 1993



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Obesity Trends* Among U.S. Adults

BRFSS, 1994

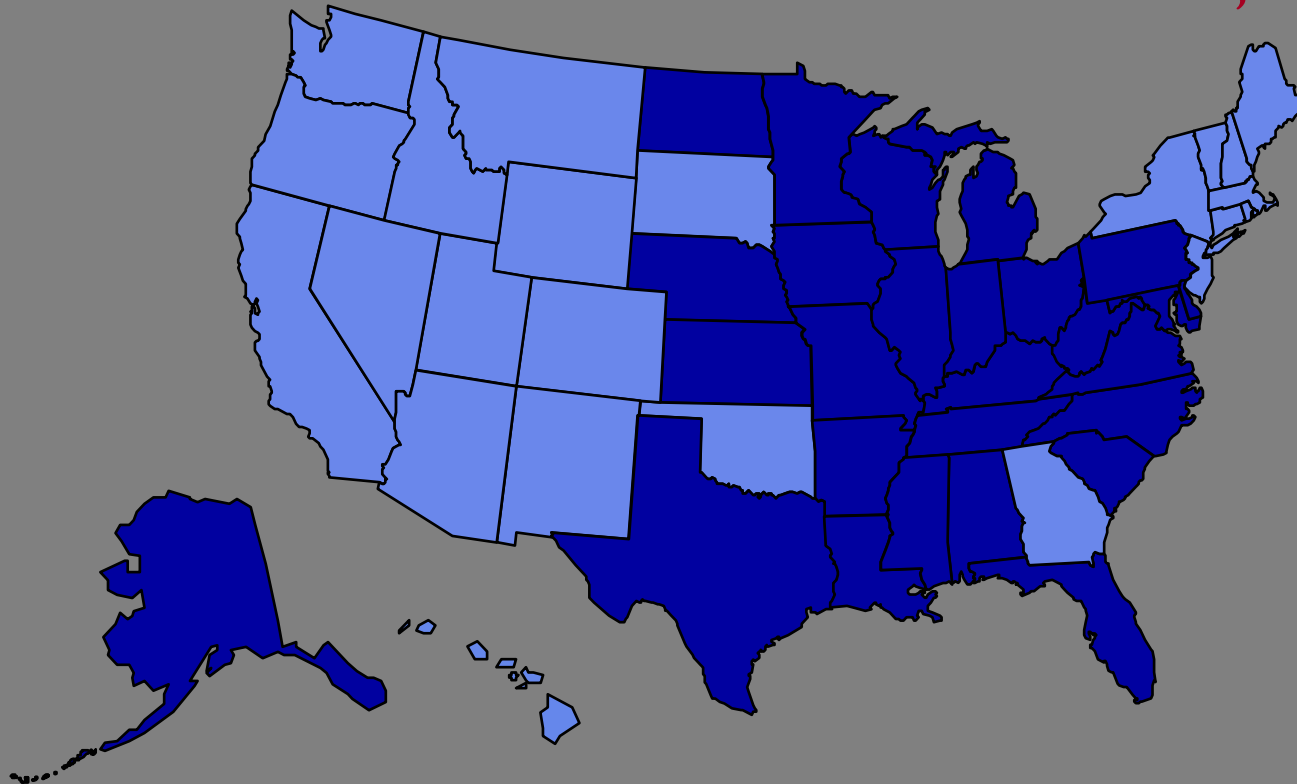


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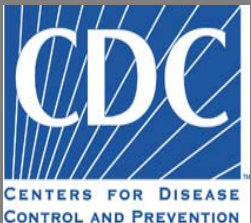
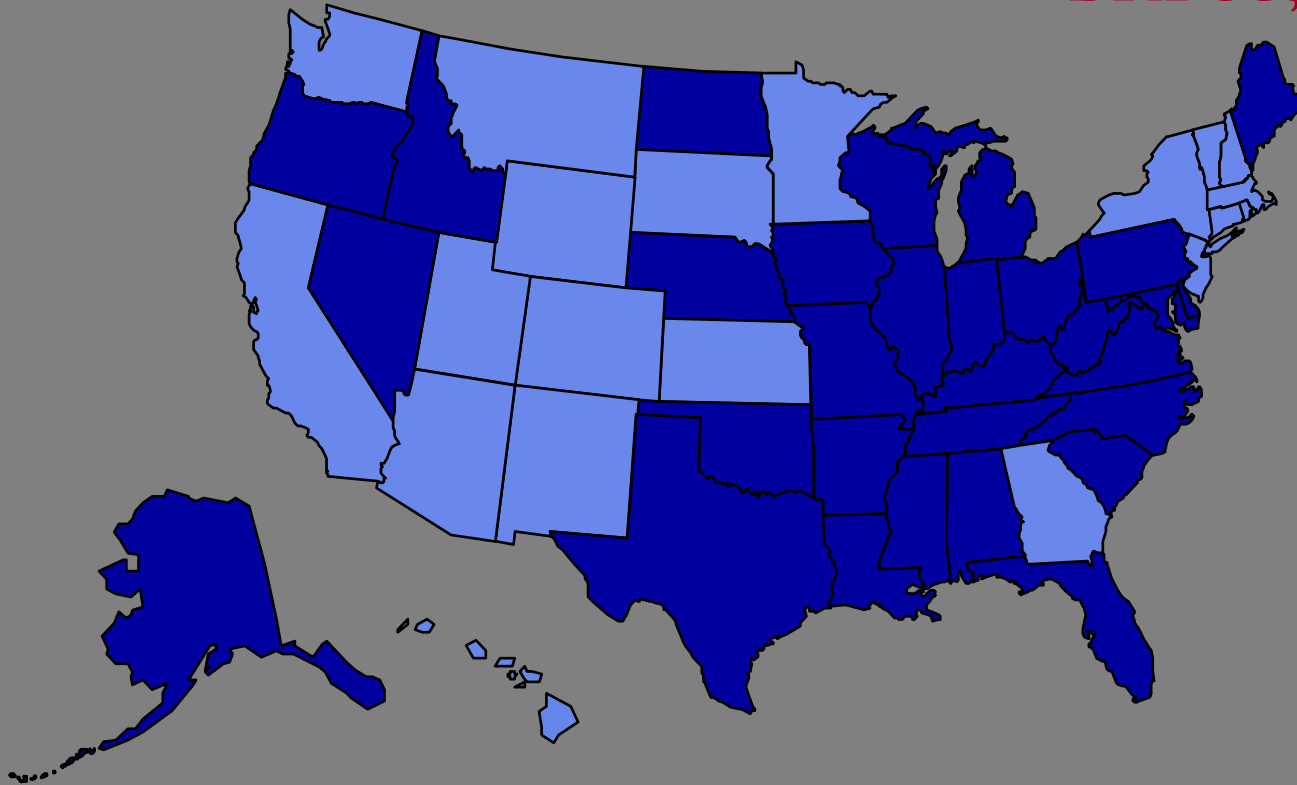


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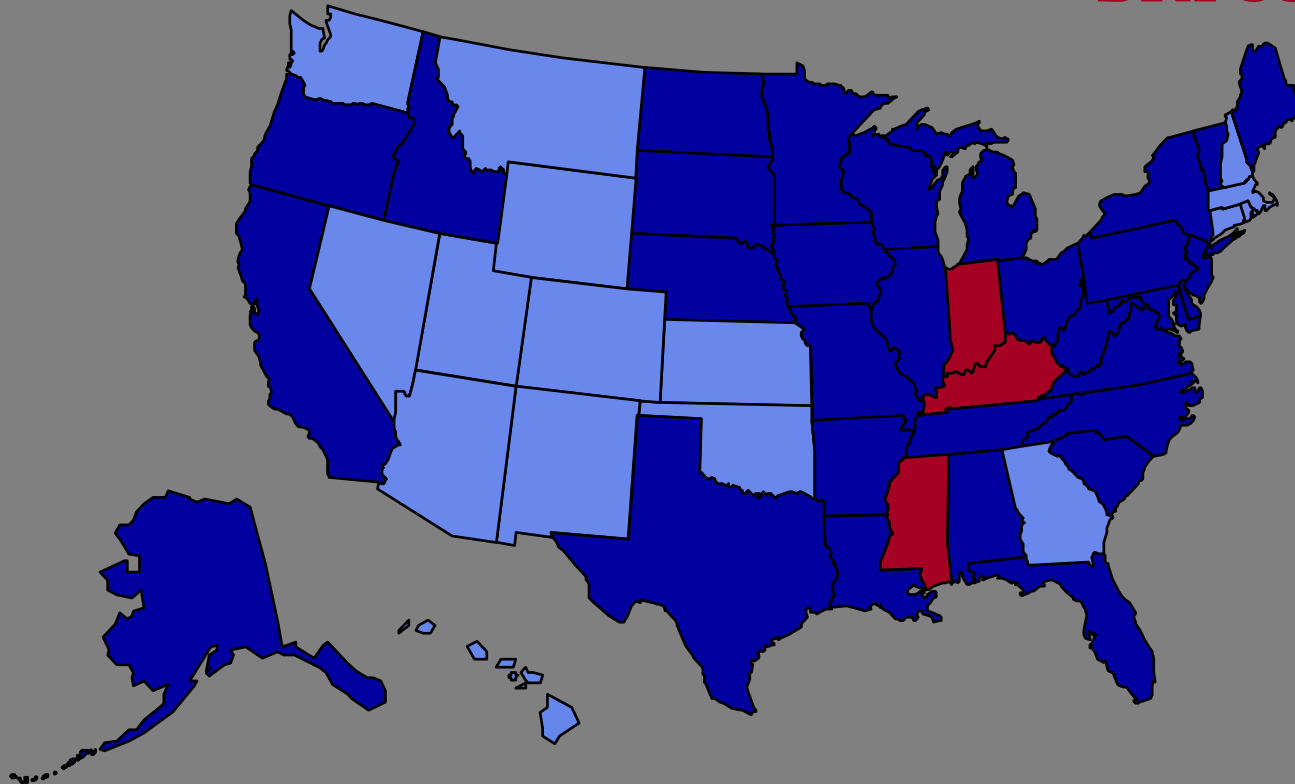


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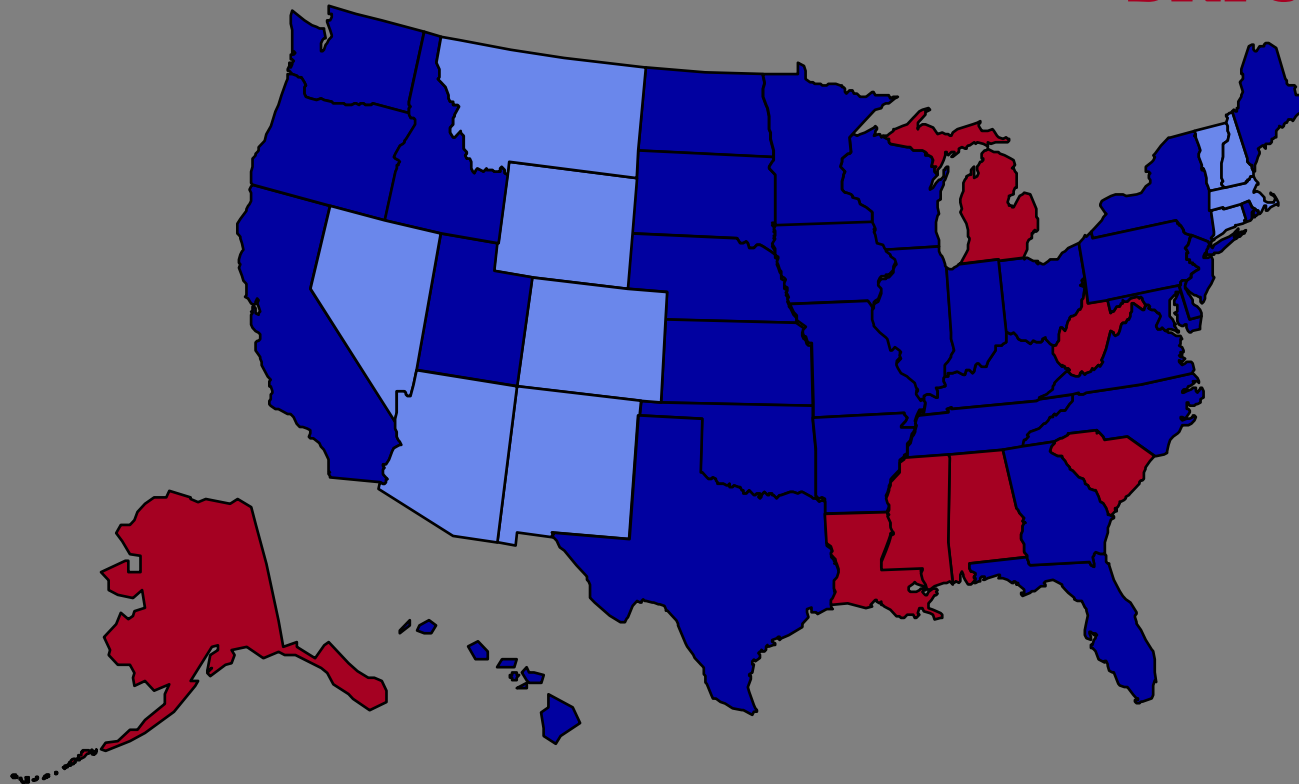


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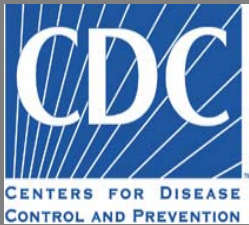
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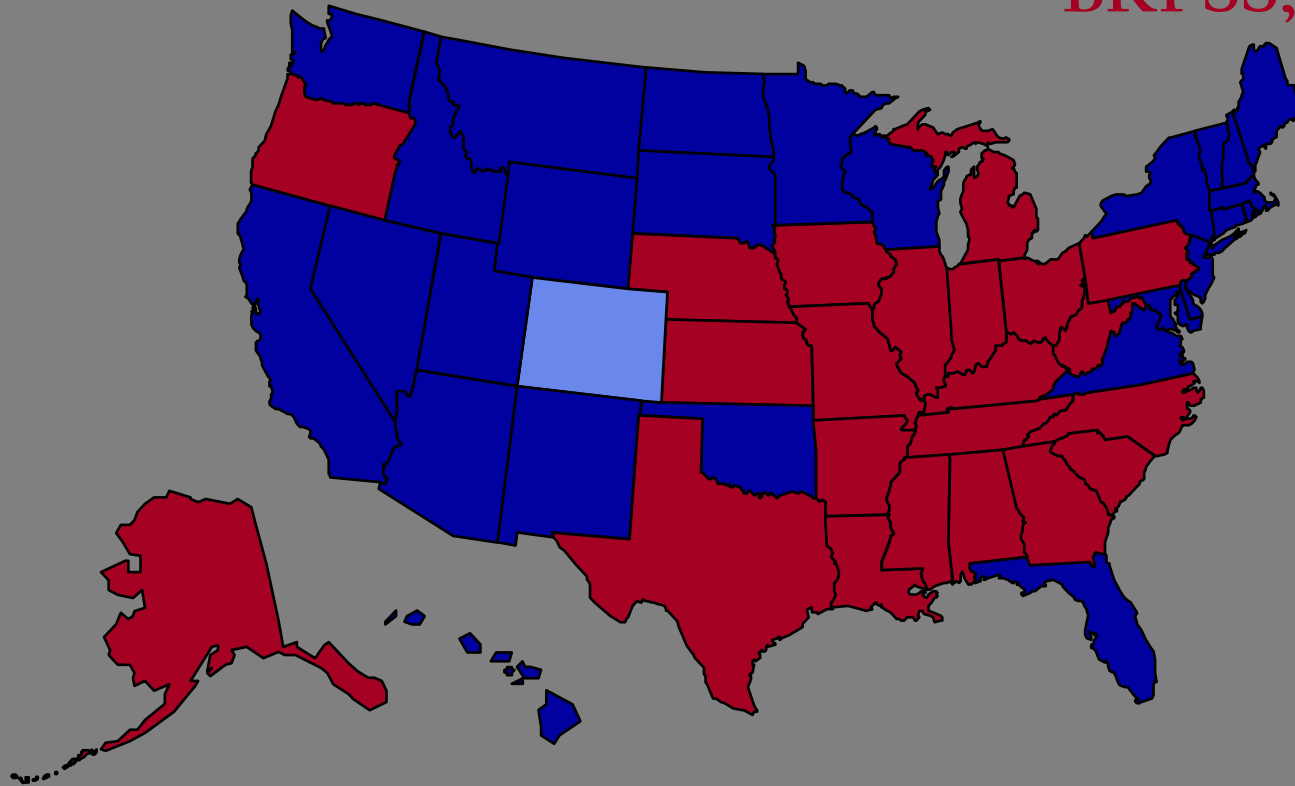
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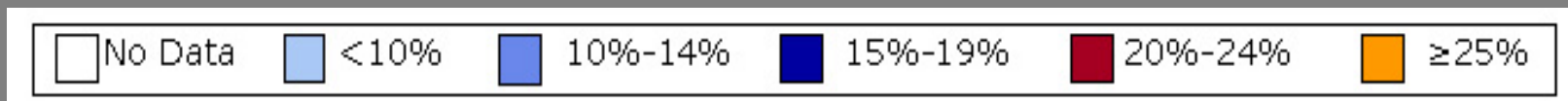
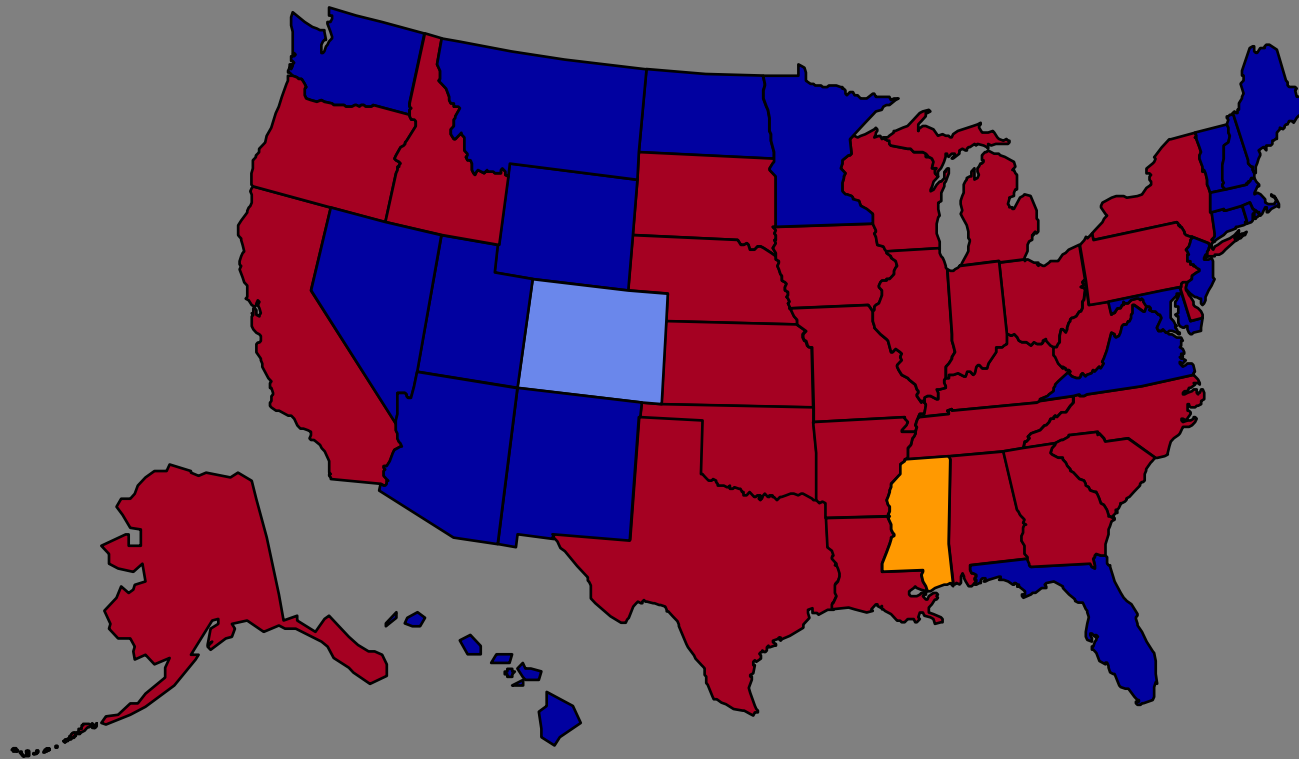


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A Health Crisis

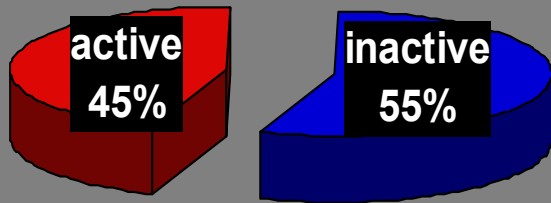
- Inactivity and poor nutrition are the 2nd leading cause of death.
- 75% of all Americans don't achieve minimum amounts of exercise.
- There has been a 40% decline in the number of walking and/or biking trips made by children.



Photo by Dan Burden
www.pedbikeimages.org

Physical Inactivity: The Economic Cost in Michigan

Michigan Adults
(7.57 million)



- Over 4 million Michigan adults are physically inactive.

Total cost of \$8.9 billion in 2002.

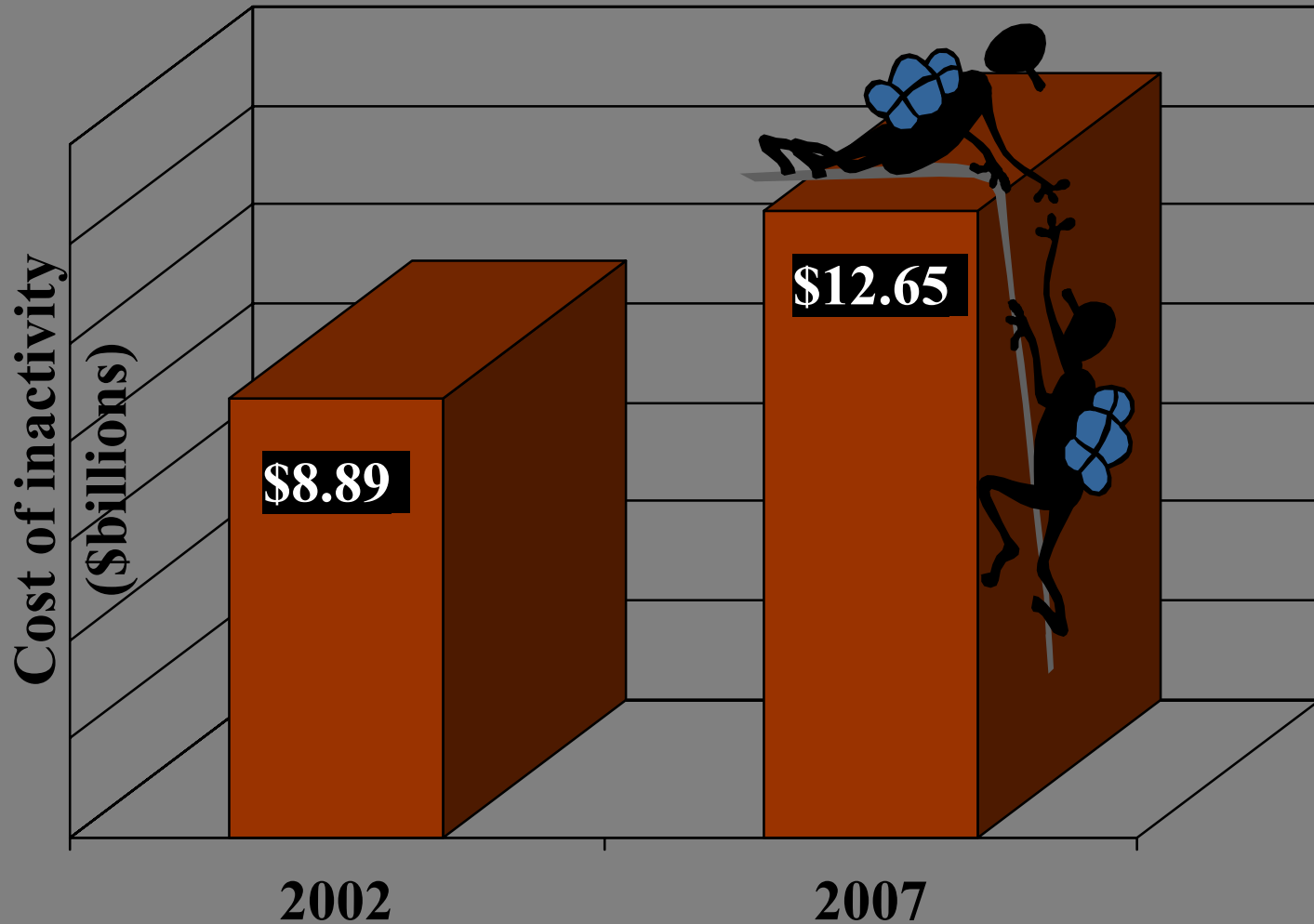
Total cost of \$8.9 billion in 2002.

- Costs are borne largely by:
 - Employers
 - health insurance premiums
 - lost productivity
 - State of Michigan
 - Medicaid

**Ultimately, Michigan residents
absorb these costs.**

\$1,175/adult

Financial Forecast



Cost Avoidance

If 1 in 20 sedentary adults become active . . .

. . . A cost avoidance of ~\$575 million per year over the next 5 years can be realized.

This equates to jobs for over 15,400 new employees.



Thank You For Your Interest In
PEDESTRIAN FRIENDLY CITIES
COOL CITIES CONFERENCE 2003